

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3467-01
BILL NO.: HB 1393
SUBJECT: Children and Minors; Health Care; Health, Public
TYPE: Original
DATE: January 28, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$3,834,138)	(\$9,675,322)	(\$11,603,539)
Total Estimated Net Effect on <u>All</u> State Funds	(\$3,834,138)	(\$9,675,322)	(\$11,603,539)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health** and the **Department of Social Services** assume this proposal would not fiscally impact their agencies.

The **Office of Administration - Children's Trust Fund (CTF)** officials state the proposal is to establish a voluntary, comprehensive home visitation prevention program for first time parents under the age of twenty-one. CTF states the services would be administered and evaluated through the fund. CTF further states that community-based agencies would be selected to provide services through a competitive bidding process.

CTF states that in 1998 it was reported by the Department of Health that there were 10,660 first-time births to parents under the age of 21 years. CTF states that to determine the annual cost to service one family, an average was calculated using the costs of the Old's Model, Healthy Families, Parents as Teachers, Teen Program, and Nurses for Newborns. CTF states the annual average cost was calculated at \$1,806 per family. CTF states that since the program is voluntary on the parents part, CTF assumes that 40% of the eligible families would participate during the first six months that services would be offered (January 1, 2001 through June 30, 2001) and increase by ten percent each year. FY2001 costs are based upon six months of services. The annual cost for contractual home visitation services would be as follows:

2001	40% (4,265)	4,625 x \$903 (6 months)	\$3,834,138
2002	50% (5,331)	5,331 x \$1,806 (12 months)	\$9,627,786
2003	60% (6,398)	6,398 x \$1,806 (12 months)	\$11,554,788

One Program Coordinator (\$38,037) would provide oversight to the home visitation program. Duties of the position would include working with the Office of Administration in the development of the invitation to bid, provide technical assistance to proposed bidders, to be a member of the evaluation team that would read the bids and conduct site visits to help insure quality of services.

Due to insufficient fund balance in the Children's Trust Fund to support the program in this proposal, CTF assumes this would be a General Revenue Fund supported program.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
---	---------------------	---------	---------

GENERAL REVENUE FUND

<u>Transfers Out - General Revenue</u>			
Children's Trust Fund	<u>(\$3,834,138)</u>	<u>(\$9,675,322)</u>	<u>(\$11,603,539)</u>

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$3,834,138)</u>	<u>(\$9,675,322)</u>	<u>(\$11,603,539)</u>
---	-----------------------------	-----------------------------	------------------------------

CHILDREN'S TRUST FUND

<u>Transfers In - Children's Trust Fund</u>			
General Revenue Fund			
Total <u>Transfers In</u> - Children's Trust Fund	\$3,834,138	\$9,675,322	\$11,603,539

<u>Costs - Children's Trust Fund</u>			
Personal service (1 FTE)	(\$26,330)	(\$32,386)	(\$33,196)
Fringe benefits	(\$8,096)	(\$9,959)	(\$10,208)
Expense and equipment	(\$11,028)	(\$5,191)	(\$5,347)
Contracted services	<u>(\$3,834,138)</u>	<u>(\$9,627,786)</u>	<u>(\$11,554,788)</u>
Total <u>Costs</u> - Children's Trust Fund	<u>(\$3,834,138)</u>	<u>(\$9,675,322)</u>	<u>(\$11,603,539)</u>

ESTIMATED NET EFFECT ON CHILDREN'S TRUST FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	-------------------	-------------------	-------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
---	---------------------	---------	---------

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
-------------------	-------------------	-------------------

FISCAL IMPACT - Small Business

Small home visitation service businesses would have a positive fiscal impact due to the services proposed in this proposal.

L.R. NO. 3467-01
BILL NO. HB 1393
PAGE 4 OF 4
January 28, 2000

DESCRIPTION

This proposal would establish a voluntary comprehensive home-visiting prevention program for first-time parents under the age of 21 with newborns. The program would be administered and evaluated through the Missouri Children's Trust Fund, which would submit an annual evaluation report to the General Assembly.

This legislation is not federally mandated would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health
Department of Social Services
Office of Administration
Children's Trust Fund

A handwritten signature in black ink, appearing to read "Jeanne Jarrett".

Jeanne Jarrett, CPA
Director
January 28, 2000